

**APPROVED  
BOARD OF FINANCE  
Minutes  
January 8, 2015**

**CALL TO ORDER**

Chairman Hammers called the Board of Finance meeting to order at 7:05 p.m. at the Town Hall, Trumbull, Connecticut. All those present joined in the Pledge of Allegiance.

**PUBLIC COMMENT**

There was no public comment.

**ATTENDANCE**

**Present**

Elaine Hammers, Chairman  
Paul Lavoie  
Lainie McHugh  
Andrew Palo  
Thomas Kelly  
Roy Molgard  
Bill Haberlin, Alternate  
Karen Egri, Alternate  
Vincent DeGennaro, Alternate

**Absent**

**Also present:**

Maria Pires, Finance Director; John Ponzio, Treasurer; John Marsilio, Public Works Director; Dr. Gary Cialfi, Superintendent of Schools; Mark Deming, Plant Administrator; Chief Michael Lombardo; Deputy Chief Glenn Byrnes

**TREASURER'S REPORT – John Ponzio**

Mr. Ponzio indicated the following:

- No change in rates; they continue to be low
- Interest for month of December was \$20,000 compared to \$25,000 for December in 2014 and \$23,000 for month of November. This reflects lower interest rates and we borrowed less last year.
- Cash balance is \$48 million; plenty of liquidity; \$800,000 payment is due on January 15<sup>th</sup> and January is our 2<sup>nd</sup> best month for tax collections.
- \$512,000 quarterly Police Pension payment made; pension is now with Wells Fargo for both administration and investing.
- We have developed a new strategy for funding pensions as needed each month instead of quarterly. This is better for cash flow and investment.
- Met with Actuaries in December; the Arc is declining slightly.
- You can now go online to review and pay your sewer, real estate and personal property tax bills.
- 8% of our General Fund Budget is debt service; rating agencies do not like it to exceed 10%.

In response to Mr. Palo's question regarding Bond refunding/refinancing, Mr. Ponzio indicated that refinancing Bonds at a lower rate is something that we do look at and will continue to review.

## **01-15-01 – BOND RESOLUTION**

Mr. Lavoie moved, seconded by Mr. Palo, to read the title of the following proposed resolution in its entirety and to waive the reading of the remainder of the resolution, incorporating its full text into the minutes of this meeting. (See entire resolution attached hereto and made a part hereof.)

Vote: 6-0-0

RESOLUTION APPROPRIATING \$10,930,000 FOR THE TRUMBULL (TOWN) CAPITAL IMPROVEMENT PLAN 2015-2016 AND AUTHORIZING THE ISSUE OF \$10,930,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

Mr. Lavoie moved, seconded by Mr. Palo, that the resolution be adopted as introduced.

Mr. Marsilio indicated that there were several very large items in the CAP Plan:

- Moose Hill Road – reconstruction - \$4.386 million
- Strobel Road – reconstruction – \$3.745 million which includes traffic signal at Strobe and Daniels Farm and culvert
- Indian Ledge Artificial Field Construction – \$1.125 million for turf field to be constructed; prompted by large number of requests for artificial turf field use time by town and outside teams made to rec department; number of requests for artificial turf use. This would be oversized, incorporating a baseball and soccer field and would be located in front of the band shell
- Paving – only 5 roads slated for \$2.8 million request. Roads do not only need paving but subsurface infrastructure repairs.

Mr. Marsilio explained that a hook lift truck is able to pick up a dumpster and then use it as a body on the vehicle. Since you can change the bodies on these trucks, they are more versatile; 2 of these are replacing 2-1996 leaf trucks and the park department is asking for a hook lift instead of a dump truck. Cost \$20-\$25,000 more than if you bought a one-type truck.

Mr. Marsilio indicated that part of the road work would be done in house and we also outsource parts of the job.

Mrs. Pires indicated that the turf fields are not income producing; we do not charge for their use. Mr. Marsilio indicated that there would probably be no significant savings to schedule the Indian Ledge field at the same time the high school field is going to be done at the high school, since these are in different locations and he was not involved with the high school turf; however, he would look into it. He did indicate that upkeep would be less expensive, since it does not need to be mowed, etc. In addition, the budgeted amount is only an estimate. The Chair indicated that the field may only last 10 years and we are discussing a 20 year bond.

The Chair asked Mr. Marsilio to list the projects in the Plan that have definite costs associated with them and not estimates. He indicated the following numbers were tight:

- Drainage Costs
- Public Facilities - costs: Library, Police headquarters and EMS.
- Engineering: Strobel Road

Mr. Marsilio was asked why the Indian Ledge field was a priority. Mr. Marsilio indicated that the needs were prioritized and everything cannot be done at once. Indian Ledge was selected

because it has the space to create a baseball diamond and lacrosse/field hockey/soccer field and the lighting in already in place. In addition, the space in front of the band shell is underutilized.

He was also asked why the Police Department items were in his budget, since there is also a Bond item on the Agenda for the police department. Mr. Marsilio indicated this was done because it was considered a discreet project.

Mr. Marsilio was asked for an update regarding the pavement of Stern Village. He indicated an evaluation was done last year and in order to take care of the work it would cost +/- \$700,000.

When asked, Mr. Marsilio indicated that you would Bond for a project with a 20 year life or for a project that would extend the life of a facility for 20 years. He went on to add that an item put in the operating budget is most likely to be the first item cut from the budget.

Mr. Marsilio indicated that there was no one available to discuss the Long Hill Green requests. In addition, he indicated the pool estimate was very accurate.

The Chair called for a recess at 8:13 p.m. The Chair reconvened the meeting at 8:33 p.m.

Mr. Palo moved, seconded by Mr. Lavoie, to amend the bonding amount from \$10,930,000 to \$9,300,000.

The following items total \$1,619,500; rounded up to \$1,630,000 for the Bond amount:

- 18,000 – Garage door replacement at PD – put in operating budget
- 13,500 – Masonry at EMS – put in operating budget
- 398,000 – Long Hill Green – need a detailed plan presented beforehand
- 1,125,000 – Field should be done in conjunction with the high school field – feels there will be savings
- 15,000 – Irrigation for field hockey– operating budget
- 25,000 – Field /swap reconstruction – operating budget
- 25,000 – Flood plain study – operating budget

	<b>AYE</b>	<b>NAY</b>
Lainie McHugh	x	
Roy Molgard	x	
Thomas Kelly	x	
Paul Lavoie	x	
Andrew Palo	x	
Elaine Hammers		x

Vote: 5-1-0 motion carries (opposed: Hammers)

The Chair moved to approve the amended Bonding amount of \$9,300,000.

	<b>AYE</b>	<b>NAY</b>
Lainie McHugh	x	
Roy Molgard	x	
Thomas Kelly	x	
Paul Lavoie	x	
Andrew Palo	x	
Elaine Hammers		x

Vote: 5-1-0 motion carries to approve the amended Bond amount of \$9,300,000.

## **01-15-02 – BOND RESOLUTION**

Mr. Lavoie moved, seconded by Mrs. McHugh, to read the title of the following proposed resolution in its entirety and to waive the reading of the remainder of the resolution, incorporating its full text into the minutes of this meeting. (See entire resolution attached hereto and made a part hereof.)

Vote: 6-0-0

RESOLUTION APPROPRIATING \$1,525,000 FOR THE TRUMBULL BOARD OF EDUCATION CAPITAL IMPROVEMENT PLAN 2015-2016 AND AUTHORIZING THE ISSUE OF \$1,525,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

Dr. Cialfi explained the breakdown of the BOE Capital Budget Proposal of \$1,525,000. He indicated that the total improvements to be made total \$4.286 million. The difference between that amount and the Capital Plan request is \$2.781million. This difference is calculated using performance contracting, whereby the projects will pay for themselves with energy savings, with an ROI of less than 10 years and grant money received.

Mr. Deming indicated that they plan on paying for the infrastructure rebuild of 2 plants: Hillcrest and Madison Middle School. Equipment will have a useful life of 30 years. As of now, they are beyond their useful life. He believes they will be able to save \$145,000 a year in energy at Hillcrest school. We are looking at 55-60% current efficiency; 98% efficiency with changes using natural gas. In addition we plan to address asbestos, updating the delivery to the classrooms, LED lighting and sensors. Updates will allow for shutdowns when schools are not open.

Mr. Deming indicated that the Hillcrest paving charge seems high due to curbing and contract work is needed to improve the drainage.

Mr. Lavoie recused himself from further discussion at 9:00 p.m. The Chair indicated Mr. Haberlin would vote for Mr. Lavoie.

Mr. Deming noted that they would be replacing the panels with energy saving equipment and won't need to upgrade. He also indicated that they were going to do everything at Frenchtown that is needed, not just the Art room rug that needs replacing; security is also a primary goal.

The Chair noted that some of the items don't belong in a bond and should be part of an annual budget. She went on to add that she is hesitant to put money into the Board of Education building or any of the schools until the facility study is done and reviewed.

The Chair moved, seconded by Mr. Molgard, to amend the bonding amount from \$1,525,000 to \$1,328,000, a reduction of \$197,000.

The following items total \$197,000:

- \$35,000 – Panel replacement – Jane Ryan
- \$35,000 – Panel replacement – Booth Hill
- \$50,000 – Carpet, tile, etc. – Frenchtown
- \$23,000 – Mowers
- \$54,000 – Boilers

**AYE                      NAY**

Lainie McHugh            x  
Roy Molgard              x  
Thomas Kelly             x  
Bill Haberlin             x  
Andrew Palo              x  
Elaine Hammers         x

Vote: 6-0-0 motion carries for the amendment

The Chair moved to approve the amended bonding amount of \$1,328,000.

**AYE                      NAY**

Lainie McHugh            x  
Roy Molgard              x  
Thomas Kelly             x  
Bill Haberlin             x  
Andrew Palo              x  
Elaine Hammers         x

Vote: 6-0-0 motion carries to approve the amended Bond amount of \$1,328,000.

Mr. Lavoie returned at 9:10 pm.

**01-15-04 – FISCAL YEAR 2014-2015 TRANSFER**

Mr. Lavoie moved, seconded by Ms. McHugh, to transfer \$874,000 from account 01-315400 Fund Balance-Committed to Section 10-248a to account 01000029-480012 General Fund –Transfer Out \$874,000 the previous unexpended funds.

The Chair indicated that legislation was passed where we are allowed to hold any unspent funds from the Board of Education, up to 1% of the BOE budget, until they have need/want to use it at which time they come to us with their request.

Vote: 6-0-0 motion carries

**01-15-03 – BOND RESOLUTION**

Mr. Lavoie moved, seconded by Mrs. McHugh, to read the title of the following proposed resolution in its entirety and to waive the reading of the remainder of the resolution, incorporating its full text into the minutes of this meeting. (See entire resolution attached hereto and made a part hereof.)

Vote: 6-0-0

"RESOLUTION AMENDING A RESOLUTION APPROPRIATING \$2,900,000 FOR TRUMBULL POLICE DEPARTMENT IMPROVEMENTS (2013) AND AUTHORIZING THE ISSUE OF \$2,900,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE"

(The purpose of the amendment is to increase the appropriation and bond authorization therein by \$1,600,000, from \$2,900,000 to \$4,500,000, to

provide for project construction, and to ratify, confirm and adopt all prior authorizations and bond resolutions in connection with the Project.)

The Chair indicated that the Board of Finance was approached in 2013, to renovate police the department and communication center; however, there were no firm plans and specs in place, so the preliminary funding to start was based on the premise that the plans, specs and professional opinion would be completed and someone would be placed in charge of overseeing the project i.e. Mr. Marsilio, the Director of Public Works.

Mr. Marsilio indicated there were 2 parts to this project, the equipment portion and the design and construction portion. The design build team has been selected and it is at the point where it is nearly finalized. Once the funding is approved, the contractor will put bid packages together and put it through the purchasing department where the bids will be reviewed and the projects awarded. In addition to Mr. Marsilio, the Director of Public Works and Mr. White, the Director of Facilities, being involved with the project, there is also a third party project manager who is involved.

D/C Byrnes indicated the scope of the project has not changed; however, by changing the function of the dispatch center, the area surrounding the center will also change. We are combining all emergency services into this one center. There is a push on in the communities to consolidate these centers and combining Monroe, Trumbull, and Easton with Trumbull would be possible with the 4 stations we are planning.

To date we have paid \$663,720 and we have \$2,159,323 in encumbrances for Motorola and Decarlo and Doll.

The Chair moved to approve the resolution as presented.

	<u>AYE</u>	<u>NAY</u>
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Lainie McHugh	x	
Roy Molgard	x	
Thomas Kelly	x	
Paul Lavoie	x	
Andrew Palo	x	
Elaine Hammers	x	

Vote: 6-0-0 motion carries

#### **DISCUSSION ITEMS**

- Year to Date Budget to Actual Report – Expenditures FY 2015
  - Police Department overtime is 76% spent.
  - Public works and highway overtime is overdue \$75,000 due to leaf pickup.
- Special Detail Analysis – there is \$801,000 left in the special detail account. The Chair indicated this should be a budgeted revenue item; however, if you don't budget correctly you wind up with a budget deficit, which is why it was not done.

#### **NEW BUSINESS**

The Chair indicated several salary surveys had been handed out to assist in the salary analysis that was requested by the First Selectman. In addition, lists of top earners in the Town and BOE have been provided along with the survey compiled by Mr. Lavoie containing the CCM salary information and the survey provided by Lynn Arnow that was compiled by the Town of Norwalk and used by the Town of Shelton.

Mr. Lavoie moved, seconded by Mr. Palo, to extend the Board of Finance meeting past 10:00 pm.

Vote: 6-0-0 motion carries

**APPROVAL OF MINUTES – December 11, 2014**

Mr. Lavoie moved, seconded by Mr. Palo, to approve the December 11, 2014 minutes, as presented.

Vote: 5-0-1 motion carries (abstained: Lavoie)

**ADJOURNMENT**

Mr. Lavoie moved, seconded by Mr. Molgard, to adjourn the meeting at 10:05 pm.

Vote: 6-0-0 motion carries

Respectfully submitted,

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Phyllis C. Collier, Board of Finance Clerk